



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



MAY 29, 2001

Army Corps Plans 4-Month Closure of Lower Granite Lock. During a recent meeting between the U.S. Army Corps of Engineers and shipping interests, officials with the Corps announced tentative plans to close the Lower Granite Lock on the Snake River 30 miles west of Lewiston, ID, in southeastern Washington to begin necessary lock repairs. The closure, affecting all commercial and recreational traffic, is scheduled to begin January 2002 and will likely last for 4 four months.

The lock closure is being ordered after serious cracks were discovered in the steel pintle bearings at the base of both miter gates, which control the downstream entrance to the massive lock chamber at Lower Granite Dam. Pintle bearings act as hinges at the base of the 123-foot steel doors. Corps officials have warned that both gates are at risk of catastrophic failure if emergency repairs are not made in the next year. The Corps discovered cracks in the steel gates in March 1998 and ordered a 5-day outage in November of that year for emergency repairs. The lock was closed for an additional 7 days in February 1999 to allow further reinforcement of the gates. The Pacific Northwest Grain and Feed Association (PNWGFA) has since learned, however, that both gates must be completely removed and replaced as part of a \$3 million Corps repair project.

Although lock and maintenance problems at Lower Granite Dam have long been well known, this is the first time barge operators or grain shipping interests heard estimates of a 4-month closure or that the Corps was planning to begin the repairs next January, according to the PNWGFA, based in Portland, OR. Despite a commercial shipper request to expedite the process, all in attendance reportedly understood the importance of the repairs and the required length of closure. Shipping interests appeared most concerned, however, with the time of the scheduled closure (January-April 2002) and urged the Corps to delay the outage until April-July, 2002.

Addressing the 35 Corps officials and shipping interests, PNWGFA Executive Vice President Jonathon Schlueter stated, "We all want to see the Corps get in and get this job done, done well, and done once. But, we also want to minimize the disruption this closure is going to impose on the commercial and recreational users of the nav lock." Schlueter continued, "For these reasons, we encourage the Corps to consider an April-July river closure, when commercial river traffic tends to be lighter, and this work can be done under more favorable weather conditions." The industry representative also mentioned the negative affect that the earlier closure would have on "tax motivated selling"; that is, it would hinder the ability of producers to gain tax advantages by selling grain early in the year. Schlueter also noted the potential effect on planting decisions, describing how a lock closure would negatively affect commodity purchases by grain companies and, in turn, planting decisions by regional farmers next spring. The Association expects that four large grain facilities, operated by Cargill, Columbia Grain, and Lewis-Clark Terminal Association facilities in Lewiston, ID, and Clarkston, WA, would be the most likely affected in the Lower Granite pool.

Following the meeting, Corps Project Manager Robert Hollenbeck still favored the January-April outage but agreed to accept comments and recommendations from interested parties. Specifically, the Corps would like to know the approximate number of farmers and grain shippers who would be affected by an earlier closure. Any comments and concerns should be registered with the Corps Walla Walla District office at 201 North 3^d Street, Walla Walla, WA 99362-1876 by close of business June 1. Robert Hollenbeck may be reached at (509) 527-7547 or e-mailed at Robert.E.Hollenbeck@nwvol.usace.army.mil. (Pacific Northwest Grain and Feed Association, Inc. 5/25)

Trucking Organizations To Hold Annual Legislative Meeting. The Agricultural Transporters Conference (ATC) of the American Trucking Associations (ATA) will hold its Annual Legislative Meeting in Washington, DC, June 3-5. USDA Secretary Ann Veneman is scheduled to meet with members of ATC on June 4 to discuss issues related to key agricultural, transportation, and trade matters of importance to ATC and its members, including the administration's new energy policy and diesel fuel prices.

Other topics expected to be discussed include various regulatory updates that concern agricultural truckers, such as the Federal Motor Carrier Safety Administration (FMCSA) proposal to overhaul Federal hours-of-service rules for commercial drivers. The proposed rule would set new limits on the amount of time professional grain haulers spend behind the wheel. In October 2000, the FMCSA plan and its implementation were suspended by Congress for one year. ATC and other transportation interests have questioned the data and methodology used by FMCSA to justify a change in the hours-of-service. An ATA-funded study by Thomas N. Hubbard, a leading transportation expert from the University of Chicago, states that FMCSA data are not representative of the trucking industry and its basis, therefore, is "not grounded in good evidence." (USDA, Marketing and Transportation Analysis, Jim DelCiello, Jim.DelCiello@usda.gov, 5/29)

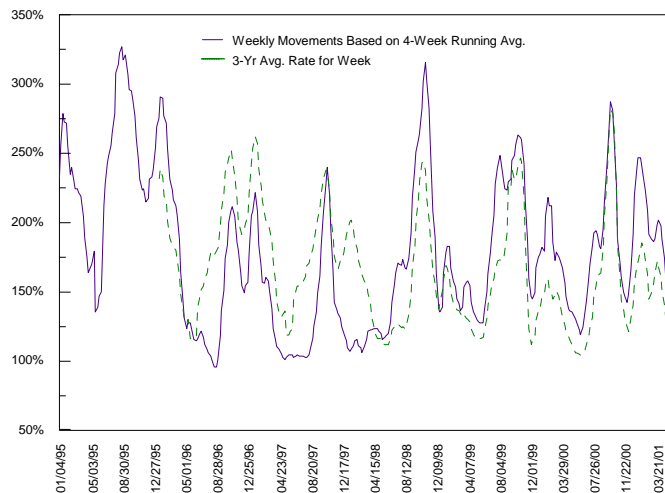
Futures:			Week Ago	Year Ago
			05/17/01	05/19/00
Kansas City	Wht	July	3.1400	3.0700
Minneapolis	Wht	July	3.2375	3.3250
Minneapolis	Dur	July	4.4800	n.a.
Chicago	Wht	July	2.5975	2.8075
Chicago	Corn	July	1.9125	2.3350
Chicago	Soyb	July	4.4725	5.3425



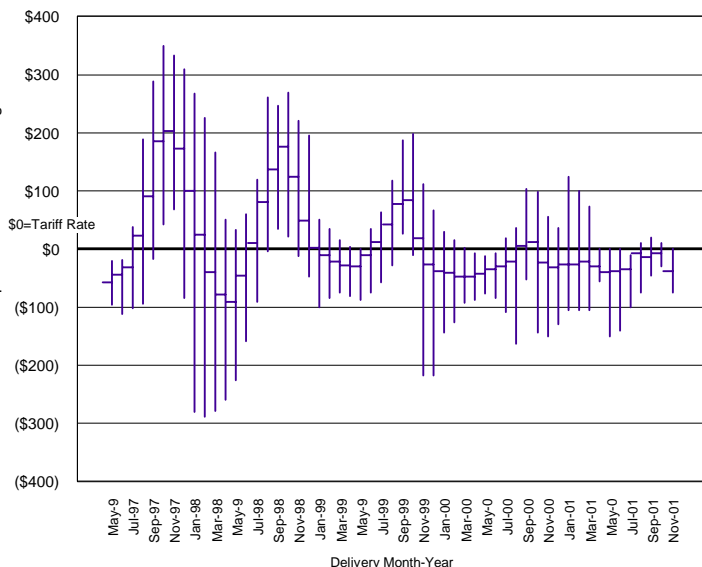
Inland Bids: 12% HRW, 14% HRS, #1 SRW, #1 DUR, #1 SWW, #2 Y Com, #1 Y Soybeans
Export Bids: Ord. HRW, 14% HRS, #2 SRW, #2 DUR, #2 SWW, #2 Y Com, #1 Y Soybeans

Sources...U.S. Inland: All (except ND) - *Market News Report*, AMS, USDA (www.usda.ams.gov)
ND - Friday Local Cash Grain Prices, AgWeek, Grand Forks, ND
U.S. Export: Corn & Soybean - *Export Grain Bids*, AMS, USDA
Wheat Bids - *Weekly Wheat Report*, U.S. Wheat Associates, Washington, D.C.
Canada: Bids in CAN\$, Canadian Wheat Board, Winnipeg (www.cwb.ca)

Index - Percent of Tariff Rate



Bid/Offer for up to 6 Months of Trading



Rail Car 'Auction' Offerings

Delivery for:	Jun-01		Aug-01	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,000	6%	12,286	26%
UP-GCAS	5,400	0%	5,400	0%

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Jun-01	Jul-01	Aug-01	Sep-01
BNSF-GF	\$(7)	\$(9)	\$(2)	\$12
UP-Pool	\$(36)	\$(35)	\$(22)	\$(16)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Jul-01	Aug-01	Sep-01
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	\$0	no bid	no bid
GCAS/Region 2	no bid	no offer	no offer
GCAS/Region 4	no bid	no offer	no offer

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal/Cash Basis Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Futures	Cash
05/29/01	St. Louis	June	126	130
		Aug	156	160
		Oct	218	220
		Dec	141	140
		Feb	138	0
	Illinois River	June	160	163
		Aug	174	185
		Oct	240	250
		Dec	163	175
		Feb	0	0

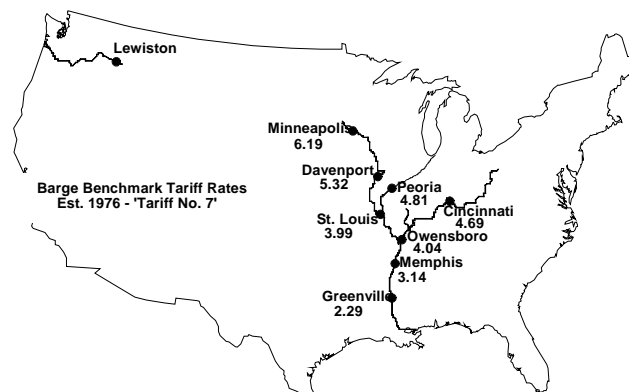
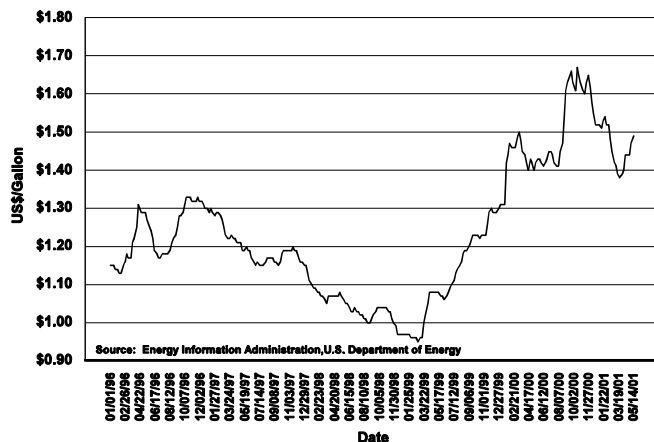
Source: St. Louis Merchants Exchange

Southbound Barge Freight Spot Rates

	5/23/01	5/9/01	Jun '01	Aug '01
Twin Cities	0	0	215	231
Mid-Mississippi	189	185	178	205
Illinois River	168	151	169	191
St. Louis	129	120	133	158
Lower Ohio	130	120	139	173
Cairo-Memphis	123	109	125	146

Source: Transportation & Marketing /AMS/USDA

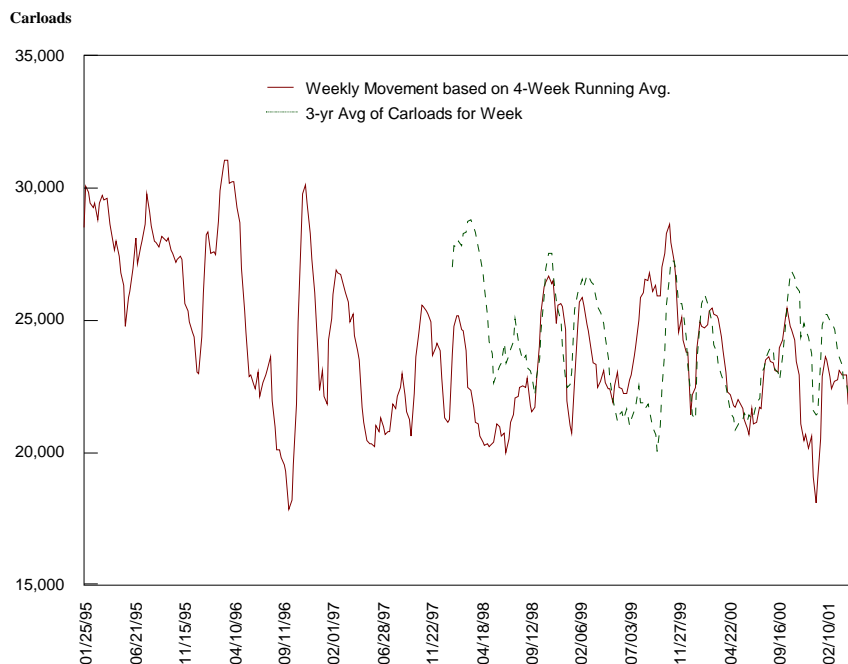
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Weekly Retail Diesel (Road) Prices (Including Taxes)

Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
5/5/01	18,163
05/12/01	16,928
05/19/01	18,161
Year to Date - 2001	430,702
Year to Date - 2000	478,568
Total 2000	1,188,917
Total 1999	1,270,375

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

	East				West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
05/19/01	0	2,837	0	3,003	5,064	439	6,818	5,070	4,117
This Week Last Year	0	2,903	1,413	3,063	6,984	440	7,795	2,157	4,595
2001 YTD	0	62,796	0	62,324	163,524	9,149	132,909	96,454	90,395
2000 YTD	0	57,354	35,885	58,880	159,906	11,822	154,721	55,737	89,429
2000 Total	0	147,708	70,155	153,905	425,849	26,515	364,785	160,749	239,670
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

May 2001

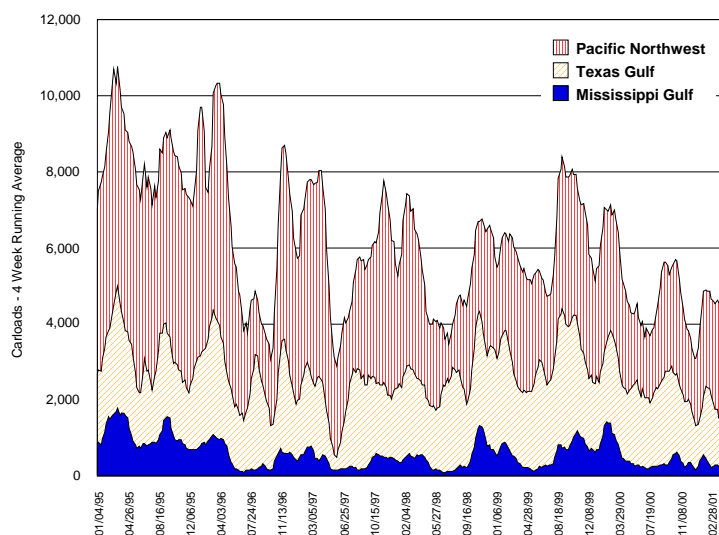
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
05/07/01	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
05/07/01	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
05/07/01	46540	Wheat	Kansas City, MO	Houston, TX	\$1,550	\$17.09	\$0.47
05/07/01	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
05/07/01	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
05/07/01	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
05/07/01	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
05/07/01	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
05/07/01	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,680	\$29.54	\$0.80
05/07/01	61180	Soybean	Omaha, NE	Portland, OR	\$2,430	\$26.79	\$0.73
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

Source: www.bnsf.com

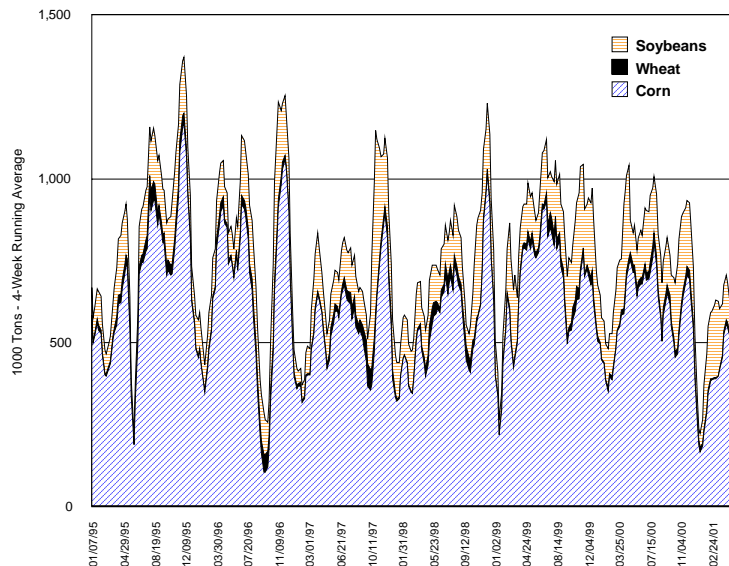
Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

Rail Deliveries to Port**Carloads**

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
04/18/01	34*	2,176	1,736	225
04/25/01	29*	2,286	1,652	48
05/02/01	109*	1,502	1,392	28
05/09/01	110*	1,479	1,356	118
05/16/01	183*	1,249	1,205	245
05/23/01	78*	1,379	1,029	245
YTD 2001	4,964*	33,071	47,532	13,296
YTD 2000	16,206	44,219	60,731	6,987
	16	85	237	1,394
	3	138	221	2,156

Rail Deliveries to Port

(*) Incomplete Data

Barge Movements - Locks 27**Barge Grain Movements**

for week ending 5/19/01

	Corn	Wht	Sybn	Total
1,000 Tons				
Mississippi River				
Rock Island, IL (L15)	14	0	8	21
Winfield, MO (L25)	0	0	0	0
Alton, IL (L26)	333	0	73	405
Granite City, IL (L27)	341	0	96	437
Illinois River (L8)	344	2	75	420
Ohio (L52)	13	5	21	51
Arkansas (L1)	0	10	1	12
2001 YTD	9,781	713	3,773	15,105
2000 YTD	11,980	720	3,532	16,966
Total 2000	33,482	2,518	10,327	48,247
Total 1999	36,711	2,883	9,771	51,887

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers; n/a=not available

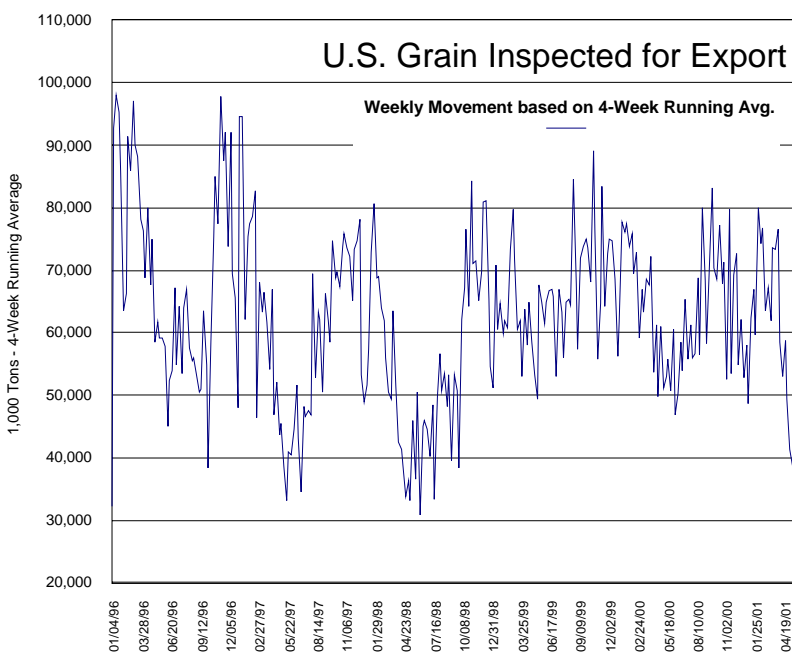
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	Wheat <i>SWW</i>	<i>DUR</i>	<i>All</i>	Corn	Soybean	Total
<u>Unshipped Exports-Crop Year</u>									
05/17/01	928	430	762	466	160	2,746	6,292	2,388	11,426
This Week Year Ago	1,026	564	853	623	222	3,289	7,451	2,322	13,062
<u>Cumulative Exports-Crop Year</u>									
00/01 YTD	8,943	4,389	5,511	4,945	1,118	24,905	32,470	23,781	81,156
99/00 YTD	10,258	4,114	5,423	3,814	936	24,544	34,970	17,713	77,227
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
05/24/01	231	83	5	28	664	158	117	0	47
2000 YTD	4,127	1,777	1,195	2,172	12,666	7,495	2,209	164	777
1999 YTD *	3,781	3,083	662	2,461	13,368	7,766	2,387	149	729
% of Last Year	38%	41%	184%	43%	40%	50%	30%	29%	56%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

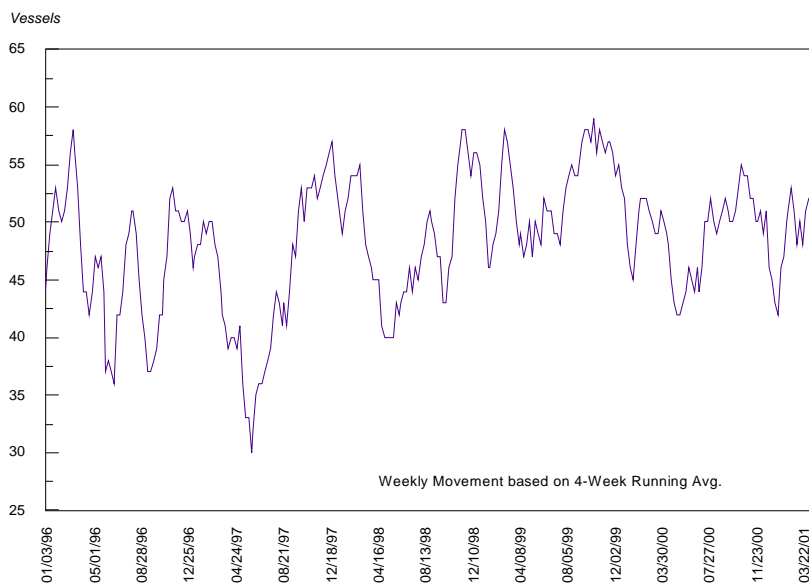
Source: Federal Grain Inspection Service YTD-Year-to-Date

**Select Canadian Ports - Export Inspections**
1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 4/12/01			
Vancouver	4,041	349	936
Prince Rupert	1,502		0
Prairie Direct	896	226	331
Thunder Bay	490	171	36
St. Lawrence	1,827	1,410	25
2000 YTD Exports	8,756	2,156	1,328
1999 YTD Exports	10,154	2,406	1,174
% of Last Year	86%	90%	113%

Source: Canadian Grains Commission

YTD-Year-to-Date Crop Year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

Port Region Ocean Grain Vessels

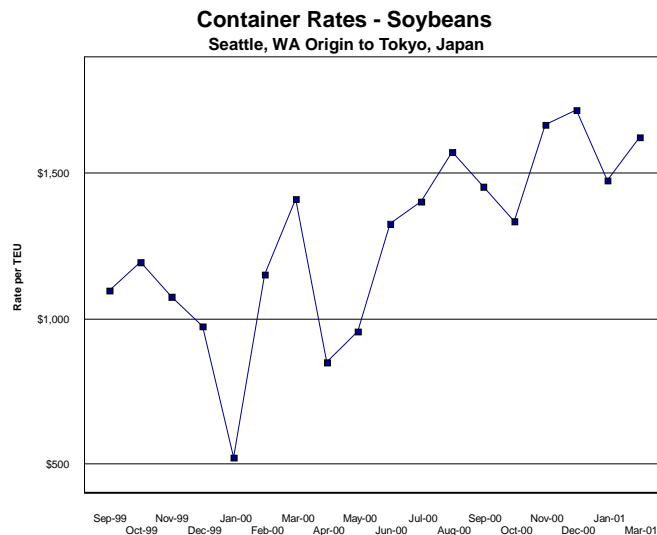
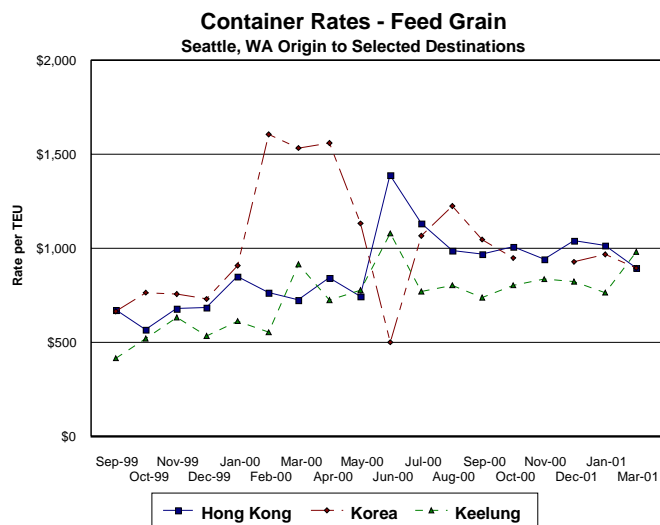
	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
05/17/01	15	43	47	7			11	7	3
05/24/01	16	44	54	6			4	11	2
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

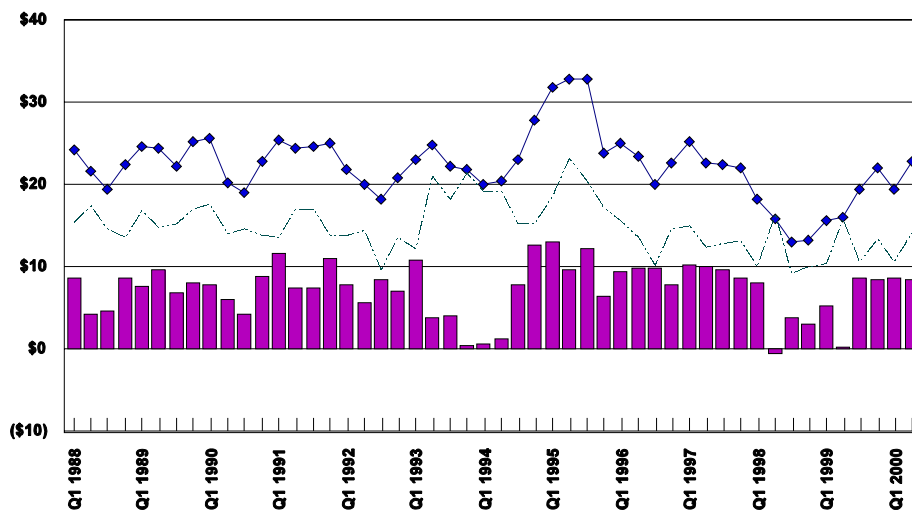
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share

Source: Transportation & Marketing /AMS/USDA



◆ Rate - Gulf to Japan
 - - - Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2001 1 st Qtr	2000 1 st Qtr	% Change		2001 1 st Qtr	2000 1 st Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$21.70	\$21.15	3%	Japan	\$16.36	\$19.93	-18%
Mexico		\$14.39		Red Sea/ Arabian Sea		\$21.38	
Venezuela	\$13.53	\$11.29	20%				
N. Europe	\$15.19	\$14.25	7%	Argentina to			
N. Africa	\$26.25	\$18.40	43%	N. Europe	\$16.47	\$17.67	-7%
				Japan	\$30.51	\$27.23	12%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 5/26/01

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Norfolk	Egypt	Wheat	June 1/8	35,000	\$15.00
Gulf	N. Spain	Heavy Grain	June 1/8	65,000	\$15.00
Gulf	Rotterdam	Grains	Spot	25,000	\$17.50
Gulf	Egypt	Corn	June 1/10	40,000	\$17.13
Gulf	Egypt	Wheat	June 14/17	55,000	\$15.50
Gulf	Japan	Heavy Grain	June 10/20	54,000	\$24.00
PNW	Japan	Heavy Grain	June 1/15	54,000	\$13.50
N. France	Saudi Arabia	Grains	May 25/28	55,000	\$16.50

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated;
 op=option